

17441

*Financial Report*

*Advocates for Academic Excellence  
in Education, Inc.*

*d/b/a*

*Benjamin Franklin High School*

*June 30, 2013*



Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date NOV 27 2013

**Bourgeois Bennett**  
CERTIFIED PUBLIC ACCOUNTANTS | CONSULTANTS

***Financial Report***

***Advocates for Academic Excellence  
In Education, Inc.  
d/b/a  
Benjamin Franklin High School***

***June 30, 2013***

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d/b/a Benjamin Franklin High School  
New Orleans, Louisiana**

June 30, 2013 and 2012

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## **FINANCIAL SECTION**

## **INDEPENDENT AUDITOR'S REPORT**

To the Board of Directors,  
Advocates for Academic Excellence in Education, Inc.  
d/b/a Benjamin Franklin High School,  
New Orleans, Louisiana.

### **Report on the Financial Statements**

We have audited the accompanying financial statements of Advocates for Academic Excellence in Education, Inc. d/b/a Benjamin Franklin High School (a non-profit organization), which comprises the statements of financial position as of June 30, 2013 and 2012 (as restated), and the related statements of activities and cash flows for the years then ended, and the notes to the financial statements.

### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to error or fraud.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risks assessments, the auditor considers internal control relevant to Advocates for Academic Excellence in Education, Inc. d/b/a Benjamin Franklin High School's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluation the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis of our opinion.

### **Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respected, the financial position of Advocates for Academic Excellence in Education, Inc. d/b/a Benjamin Franklin High School as of June 30, 2013 and 2012 (as restated), and the changes in its net assets and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

### **Other Reporting Required by Government Auditing Standards**

In accordance with Government Auditing Standards, we have also issued our report, dated September 30, 2013 on our consideration of the School's internal control over financial reporting and on our test of its compliance with certain provisions of laws, regulations, contracts and grant agreement and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the School's internal control over financial reporting and compliance.



Certified Public Accountants.

New Orleans, Louisiana,  
September 30, 2013.

**STATEMENTS OF FINANCIAL POSITION**

**Advocates for Academic Excellence in Education, Inc.  
d/b/a Benjamin Franklin High School  
New Orleans, Louisiana**

June 30, 2013 and 2012

	<u>2013</u>	<u>2012</u> (As Restated)
<b>ASSETS</b>		
Cash	\$ 2,162,546	\$ 1,596,105
Grants receivable	185,342	285,061
Unconditional promise to give - net	14,490	9,435
Prepaid expenses	29,207	-
Property and equipment, net	<u>367,702</u>	<u>253,915</u>
Total assets	<u><u>\$ 2,759,287</u></u>	<u><u>\$ 2,144,516</u></u>
<b>LIABILITIES</b>		
Accounts payable	\$ 187,543	\$ 140,664
Accrued expenses	13,284	8,930
Obligation under capital lease	<u>3,944</u>	<u>28,330</u>
Total liabilities	<u>204,771</u>	<u>177,924</u>
<b>NET ASSETS</b>		
Unrestricted	2,228,189	1,642,920
Temporarily restricted	199,753	209,573
Permanently restricted	<u>126,574</u>	<u>114,099</u>
Total net assets	<u>2,554,516</u>	<u>1,966,592</u>
Total liabilities and net assets	<u><u>\$ 2,759,287</u></u>	<u><u>\$ 2,144,516</u></u>

See notes to financial statements.



**STATEMENT OF ACTIVITIES**

**Advocates for Academic Excellence in Education, Inc.  
d/b/a Benjamin Franklin High School  
New Orleans, Louisiana**

For the year ended June 30, 2013

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Totals</u>
<b>Revenues and Other Support</b>				
Contributions	\$ 224,937	\$ 267,404	\$ 12,475	\$ 504,816
Grants:				
Federal	75,667			75,667
State - Minimum Foundation Program	3,305,554			3,305,554
Local - Minimum Foundation Program	3,352,132			3,352,132
Other	8,836			8,836
Student activity fees	194,480			194,480
Class and course fees	503,447			503,447
Other revenue	22,475			22,475
In-kind donations	78,005			78,005
Net assets released from restrictions	<u>277,224</u>	<u>(277,224)</u>		<u>-</u>
Total revenues and other support	<u>8,042,757</u>	<u>(9,820)</u>	<u>12,475</u>	<u>8,045,412</u>
<b>Expenses</b>				
Salaries	3,633,148			3,633,148
Employee benefits	1,179,894			1,179,894
Student activities expense	721,331			721,331
Repairs and maintenance	440,490			440,490
Professional services	284,616			284,616
Supplies	257,185			257,185
Insurance	200,668			200,668
Other expenses	159,357			159,357
Utilities	143,441			143,441
Administrative fees	133,156			133,156
Bad debt expense	96,443			96,443
Depreciation	82,390			82,390
Payroll taxes	78,525			78,525
Food services	23,820			23,820
Expendable furniture and fixtures	16,094			16,094
Loss on disposal of equipment	<u>6,930</u>			<u>6,930</u>
Total expenses	<u>7,457,488</u>	<u>-</u>	<u>-</u>	<u>7,457,488</u>
Increase (decrease) in net assets	585,269	(9,820)	12,475	587,924
<b>Net Assets</b>				
Beginning of year	<u>1,642,920</u>	<u>209,573</u>	<u>114,099</u>	<u>1,966,592</u>
End of year	<u>\$ 2,228,189</u>	<u>\$ 199,753</u>	<u>\$ 126,574</u>	<u>\$ 2,554,516</u>

See notes to financial statements.

**STATEMENT OF ACTIVITIES**

**Advocates for Academic Excellence in Education, Inc.  
d/b/a Benjamin Franklin High School  
New Orleans, Louisiana**

For the year ended June 30, 2012

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Totals (As Restated)</u>
<b>Revenues and Other Support</b>				
Contributions	\$ 206,082	\$ 209,112	\$ 2,221	\$ 417,415
Grants:				
Federal	69,863			69,863
State - Minimum Foundation Program	2,904,547			2,904,547
Local - Minimum Foundation Program	3,084,937			3,084,937
Other	18,206			18,206
Student activity fees	120,496			120,496
Class and course fees	575,478			575,478
Other revenue	34,940			34,940
In-kind donations	67,892			67,892
Net assets released from restrictions	143,199	(143,199)		-
<b>Total revenues and other support</b>	<u>7,225,640</u>	<u>65,913</u>	<u>2,221</u>	<u>7,293,774</u>
<b>Expenses</b>				
Salaries	3,420,431			3,420,431
Employee benefits	1,051,366			1,051,366
Student activities expense	557,449			557,449
Repairs and maintenance	411,025			411,025
Professional services	274,627			274,627
Supplies	263,464			263,464
Insurance	119,361			119,361
Other expenses	101,895			101,895
Utilities	134,690			134,690
Administrative fees	119,520			119,520
Bad debt expense	17,985			17,985
Depreciation	78,260			78,260
Payroll taxes	63,115			63,115
Food services	21,900			21,900
Expendable furniture and fixtures	21,883			21,883
<b>Total expenses</b>	<u>6,656,971</u>	<u>-</u>	<u>-</u>	<u>6,656,971</u>
<b>Increase in net assets</b>	568,669	65,913	2,221	636,803
<b>Net Assets</b>				
Beginning of year, as restated	1,074,251	143,660	111,878	1,329,789
End of year	<u>\$ 1,642,920</u>	<u>\$ 209,573</u>	<u>\$ 114,099</u>	<u>\$ 1,966,592</u>

See notes to financial statements.

**STATEMENTS OF CASH FLOWS**

**Advocates for Academic Excellence in Education, Inc.  
d/b/a Benjamin Franklin High School  
New Orleans, Louisiana**

For the years ended June 30, 2013 and 2012

	<u>2013</u>	<u>2012 (As Restated)</u>
<b>Cash Flows From Operating Activities</b>		
Increase in net assets	\$ 587,924	\$ 636,803
Adjustments to reconcile increase in net assets to cash provided by operating activities:		
Depreciation	82,390	78,260
Loss of disposal of equipment	6,930	
Bad debts	96,443	
Contributions restricted for endowment purposes	(12,475)	(2,221)
(Increase) decrease in assets:		
Grants receivable	3,276	(13,178)
Unconditional promises to give	(5,055)	(3,710)
Prepaid expenses	(29,207)	37,767
Increase in liabilities:		
Accounts payable and accrued expenses	<u>51,233</u>	<u>43,700</u>
Net cash provided by operating activities	<u>781,459</u>	<u>777,421</u>
<b>Cash Flows From Investing Activities</b>		
Property and equipment purchases	<u>(203,107)</u>	<u>(46,437)</u>
<b>Cash Flows From Financing Activities</b>		
Repayment of capital lease obligation	(24,386)	(25,666)
Collections of endowment gifts	<u>12,475</u>	<u>2,221</u>
Net cash used in financing activities	<u>(11,911)</u>	<u>(23,445)</u>
<b>Net Increase in Cash</b>	566,441	707,539
<b>Cash</b>		
Beginning of year	<u>1,596,105</u>	<u>888,566</u>
End of year	<u><u>\$ 2,162,546</u></u>	<u><u>\$ 1,596,105</u></u>

See notes to financial statements.

**NOTES TO FINANCIAL STATEMENTS**

**Advocates for Academic Excellence in Education, Inc.  
d/b/a Benjamin Franklin High School  
New Orleans, Louisiana**

June 30, 2013 and 2012

**Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES****a. Organization**

Advocates for Academic Excellence in Education, Inc. d/b/a Benjamin Franklin High School (the "School"), incorporated on October 25, 2005, is an educational institution organized to improve student learning, increase learning opportunities for all students, encourage the use of innovative teaching methods, be more thoroughly accountable for education results, and create new professional opportunities for teachers and other school employees.

The Orleans Parish School Board ("OPSB") approved the granting of a charter to the School effective January 1, 2006 for a period ending on December 31, 2011, to operate a Type 3 Charter School, as defined in LA R.S.17:3973(3)(b). On June 21, 2011, the OPSB voted to renew the charter for a period of 10 years, expiring on June 30, 2021.

**b. Basis of Accounting**

The financial statements of the School have been prepared in conformity with accounting principles generally accepted in the United States of America. The Financial Accounting Standards Board is the accepted standard setting body for establishing not-for-profit accounting and financial reporting principles.

**c. Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

**Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**d. Cash and Cash Equivalents**

Cash consists of both unrestricted and restricted balances. Unrestricted cash balances represent cash available for general operating purposes. Restricted cash balances consist of amounts credited to the School's bank accounts from donations received from individuals or entities who specified the use of the contribution.

The School classifies as cash and cash equivalents all highly liquid debt instruments with an initial maturity of three months or less to be cash equivalents. For the years ended June 30, 2013 and 2012, the School did not have any cash equivalents.

**e. Grants Receivable**

The grants receivable are stated at the amount management expects to collect from outstanding balances. The financial statements do not include an estimate for allowance for doubtful accounts. Management believes that all receivables are collectible.

**f. Promises To Give**

Contributions are recognized when the donor makes a promise to give to the School that is, in substance, unconditional. Conditional promises to give are recognized when the conditions on which they depend are substantially met.

All unconditional promises to give are recognized as assets and revenues. Management believes that all unconditional promises to give are collectable.

**g. Property, Equipment, and Depreciation**

Property and equipment is stated at cost. Repairs and maintenance is charged to expense as incurred, major additions to physical plant and facilities and betterments with a purchased cost greater than \$5,000 are capitalized. Property and equipment donated to the School are capitalized at the fair market value at the date donated. Depreciation is provided utilizing the straight-line method over estimated useful lives of the assets.

**Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**h. Compensated Absences**

All ten month employees are provided ten days of paid leave per year to be used for illness or personal leave. All eleven month employees receive eleven days of paid leave for illness or personal leave. All twelve month employees who are not members of the executive cabinet receive ten days of paid leave for illness or personal leave and fifteen vacation days; members of the executive cabinet receive ten days for illness or personal leave and twenty vacation days per year. Personal time off is allocated July 1<sup>st</sup> of each year and is available through June 30<sup>th</sup> of the following year. Any unused time up to ten days is reported to the Teacher's Retirement Services of Louisiana, but is not allowed to be accumulated between fiscal years.

**i. Contributions and Revenue Recognition**

Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence and/or nature of any donor restrictions.

Support that is restricted by the donor is reported as an increase in unrestricted net assets if the restriction expires in the reporting period in which the support is recognized. All other donor-restricted support is reported as an increase in temporarily or permanently restricted net assets, depending on the nature of the restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statements of activities as net assets released from restrictions.

Revenues from federal and state grants are recorded when the School has a right to reimbursement under the related grant, generally corresponding to the incurring of grant related costs by the School, or when earned under the terms of the grant.

**j. In-Kind Support**

The School records the in-kind value of goods and services contributed to support various activities as support and related expenses. In-kind support was \$78,005 and \$67,892 for the years ended June 30, 2013 and 2012, respectively, and included donations of musical instruments, books, equipment, and other items.

**Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**k. Financial Statement Presentation**

Net assets, revenues, and expenses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of the School and changes therein are classified and reported as follows:

**Unrestricted Net Assets** - Support, revenues, and expenses for the general operation of the School.

**Temporarily Restricted Net Assets** - Contributions specifically authorized by the grantor or donor to be used for a certain purpose or to benefit a specific accounting period.

**Permanently Restricted Net Assets** - Contributions subject to donor-imposed restrictions and that are to be held in perpetuity by the School. Generally, the donors of these assets permit the School to use all or part of the income derived from the investment of these contributions.

**l. Tax Matters**

The School has received a tax-exempt ruling under section 501(c)(3) from the Internal Revenue Service and, accordingly, is not subject to Federal income tax unless the School has unrelated trade or business income.

Accounting standards provide detailed guidance for financial statement recognition, measurement, and disclosure of uncertain tax positions recognized in an entity's financial statements. These standards require an entity to recognize the financial statement impact of a tax position when it is more likely than not that the position will not be sustained upon examination. As of June 30, 2013, the School believes that it has no uncertain tax positions that qualify for either recognition or disclosure in the financial statements. Tax years June 30, 2010 and later remain subject to examination by the taxing authorities.

**m. Allocated Expenses**

The costs of providing the various programs and other activities are summarized in Note 11. Certain expenses have been allocated among the programs and supporting services based on management's estimate of costs involved.

**Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**n. Fundraising Expenses**

All expenses associated with fundraising activities are expensed as incurred, including those expenses related to fundraising appeals in a subsequent year.

**o. Subsequent Events**

Management evaluates events occurring subsequent to the date of the financial statements in determining the accounting for and disclosure of transactions and events that affect the financial statements. Subsequent events have been evaluated through September 30, 2013, which is the date the financial statements were available to be issued.

**p. Reclassifications**

Certain amounts in the prior year financial statements have been reclassified to conform to the current year presentation.

**Note 2 - CONCENTRATIONS OF RISK**

The School received a substantial amount of its revenue through grants awarded by the federal, state, and local governments for the years ended June 30, 2013 and 2012 which total approximately \$6,711,000 and \$6,045,000 or 84% of total revenue for both years.

All of the students and employees of the School live in the Greater New Orleans area.

Custodial credit risk is the risk that in the event of a bank failure, the School's deposits may not be returned to it. The School has a written policy for custodial credit risk. As of June 30, 2013, the School's bank balances were approximately \$2,270,000. Balances insured by the Federal Deposits Insurance Corporation ("FDIC"), which covers the total balance of accounts up to \$250,000 per financial institution, totaled \$250,000. The remaining deposits of \$2,020,000 were uninsured and collateralized with securities held by the pledging financial institution's trust department or agent, but not in the School's name.

As of June 30, 2013, cash was adequately collateralized by securities held by unaffiliated banks for the account of the School. These securities are considered to be subject to custodial credit risk. Even though the FDIC insured accounts are not considered subject to custodial credit risk under the provisions of FASB ASC 825, Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the depositor that the fiscal agent has failed to pay deposited funds upon demand, should the need arise.



**Note 3 - PRIOR PERIOD ADJUSTMENT**

Net assets as of June 30, 2012 have been restated to reclassify \$13,717 of School funds that were incorrectly recorded as a liability during the year ended June 30, 2012. In addition, it was noted that \$8,084 of funds were improperly recorded as permanently restricted funds as opposed to temporarily restricted funds. As a result of these corrections, net assets as of June 30, 2012 are restated as follows:

	<u>Unrestricted Net Assets</u>	<u>Temporarily Restricted Net Assets</u>	<u>Permanently Restricted Net Assets</u>	<u>Total Net Assets</u>
Net assets as of June 30, 2011, as previously reported	\$ 1,074,251	\$ 135,576	\$ 119,962	\$ 1,329,789
Reclassification	<u>-</u>	<u>8,084</u>	<u>(8,084)</u>	<u>-</u>
Net assets as of June 30, 2011, as restated	<u>\$ 1,074,251</u>	<u>\$ 143,660</u>	<u>\$ 111,878</u>	<u>\$ 1,329,789</u>
			<u>Unrestricted Net Assets</u>	
Local Minimum Foundation Program revenue as of June 30, 2012 as previously reported			\$ 3,071,220	
Restatement			<u>13,717</u>	
Local Minimum Foundation Program revenue as of June 30, 2012 as restated			<u>\$ 3,084,937</u>	

**Note 4 - PROPERTY AND EQUIPMENT**

Property and equipment as of June 30, 2013 and 2012 consists of the following:

	<u>2013</u>	<u>2012</u>
Machinery and equipment	\$ 491,962	\$ 479,236
Site improvements	106,557	90,066
Building and building improvements	216,223	55,613
Construction in progress	6,350	-
	<u>821,092</u>	<u>624,915</u>
Less accumulated depreciation	<u>(453,390)</u>	<u>(371,000)</u>
Total	<u><u>\$ 367,702</u></u>	<u><u>\$ 253,915</u></u>

Depreciation expense for the years ended June 30, 2013 and 2012 totaled \$82,390 and \$78,260, respectively.

**Note 5 - BANK LINE OF CREDIT**

The School maintained a line of credit of \$100,000 with a local financial institution with variable rate of interest at the Wall Street Journal prime rate (3.25% as of June 30, 2013 and 2012) due on demand. The line of credit is secured by the savings account of the School, which is held by the same financial institution. As of June 30, 2013 and 2012, the School had no outstanding borrowing under the line of credit and the full amount of the line of credit was available to the School.

**Note 6 - CAPITAL LEASE OBLIGATIONS**

Effective August 1, 2010, the School entered into a capital lease obligation for 75 computers at an interest rate of 8.58%. The lease term is for three years and annual payments total \$28,162. As of June 30, 2013 and 2012, the following is a schedule of capitalized cost and accumulated depreciation of the computers acquired through the capital lease:

	<u>2013</u>	<u>2012</u>
Capitalized costs	\$ 77,754	\$ 77,754
Accumulated depreciation	<u>(73,810)</u>	<u>(49,424)</u>
Net book value	<u><u>\$ 3,944</u></u>	<u><u>\$ 28,330</u></u>

**Note 6 - CAPITAL LEASE OBLIGATIONS (Continued)**

Depreciation expense on the computers acquired through the capital lease totaled \$24,386 and \$25,666 for the years ended June 30, 2013 and 2012, respectively.

Future minimum payments under the capital lease as of June 30, 2013 are as follows:

<u>Year Ending</u> <u>June 30,</u>	
2014	\$ 4,073
Less amount representing interest	<u>(129)</u>
Present value of net future payments	<u>\$ 3,944</u>

Interest expense for the capital lease obligation totaled \$2,217 and \$2,309 for the years ended June 30, 2013 and 2012, respectively.

**Note 7 - RETIREMENT PLAN**

Substantially all employees of the School participate in the Teachers' Retirement System of Louisiana ("TRSL"). This system is a cost sharing, multiple-employer governmental defined benefit plan qualified under Section 401(a) of the Internal Revenue Code. The plan provides retirement benefits as well as disability and survivor benefits to eligible participants. The TRSL issues publicly available financial reports that include financial statements and required supplementary information of the TRSL. That report may be obtained by writing the Teachers' Retirement System of Louisiana, P.O. Box 94123, Baton Rouge, LA 70804-9123.

Participants vest immediately in employee contributions to the plan. Retirement benefits vest after five years of service if the employee reaches age sixty; otherwise, benefits vest after twenty years of service. Benefits are established and amended by state statute. Upon retirement, participants may select from eight retirement payment options.

For the years ended June 30, 2013 and 2012, participants are required to contribute 8% of their annual covered payroll to the plan and the School is required to contribute 24.50% and 23.70%, respectively, of the annual covered payroll of each participating employee. These contribution levels are established by law and set by the Public Retirement Systems Actuarial Committee. For the years ended June 30, 2013 and 2012, the School contributions to this plan totaled \$838,536 and \$778,777, respectively.

**Note 8 - ENDOWMENT FUND**

*The Endowments.* The School's endowment fund was established primarily for the purpose of maintaining the School and consists of donor-restricted endowment funds. As required by generally accepted accounting principles, net assets associated with endowment funds, are classified and reported based on the existence or absence of donor-imposed restrictions.

The School has interpreted the Uniform Prudent Management of Institutional Funds Act as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the School classifies as permanently restricted net assets:

- the original value of gifts donated to the permanent endowment,
- the original value of subsequent gifts to the permanent endowment, and
- accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund.

The remaining portion of the donor-restricted endowment fund that is not classified in permanently restricted net assets is classified as temporarily restricted net assets until those amounts are appropriated for expenditure by the School in a manner consistent with the standard of prudence prescribed by UPMIFA. In accordance with UPMIFA, the School considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- The duration and preservation of the fund
- The purposes of the School and the donor-restricted endowment fund
- General economic conditions
- The possible effect of inflation and deflation
- The expected total return from income and the appreciation of investments
- Other resources of the School
- The investment policies of the School

**Note 8 - ENDOWMENT FUND (Continued)**

Endowment net asset composition as of June 30, 2013 and 2012 is as follows:

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
2013				
Donor-restricted funds	\$ -	\$ -	\$ 126,574	\$ 126,574
2012				
Donor-restricted funds	\$ -	\$ -	\$ 114,099	\$ 114,099

Changes in endowment net assets for the year ended June 30, 2013 and 2012 are as follows:

	<u>2013</u>			
	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
Net assets, beginning of the year	\$ -	\$ -	\$ 114,099	\$ 114,099
Contributions	-	-	12,475	12,475
Net assets, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 126,574</u>	<u>\$ 126,574</u>
	<u>2012</u>			
	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
Net assets, beginning of the year	\$ -	\$ -	\$ 111,878	\$ 111,878
Contributions	-	-	2,221	2,221
Net assets, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 114,099</u>	<u>\$ 114,099</u>

*Funds with Deficiencies.* From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that either the donor or UPMIFA requires the School to retain as a fund of perpetual duration. These deficiencies can result from unfavorable market fluctuations. There were no such deficiencies as of June 30, 2013 and 2012.

**Note 8 - ENDOWMENT FUND (Continued)**

*Return Objectives and Risk Parameters.* Upon accumulating \$500,000 in contributions in the endowment fund, the endowment will be invested with the intention of obtaining general market returns with a minimum amount of investment and management expenses.

*Strategies Employed for Achieving Objectives.* The investment funds are invested in an interest bearing savings account.

*Spending Policy and How Investment Objectives Relate to the Spending Policy.* Spending of interest earned by the endowment funds will be generally related to the operation of the School.

**Note 9 - RESTRICTIONS ON ASSETS**

Temporarily restricted net assets are restricted by donors for specific programs, purposes, or to assist specific departments of the School. These restrictions are considered to expire when payments for restricted purposes are made. None of the temporarily restricted net assets are time-restricted by donors.

Temporarily restricted net assets as of June 30, 2013 and 2012 are available for the following purposes:

	<u>2013</u>	<u>2012</u> (As Restated)
Class reunion gifts	\$ 41,363	\$ 26,778
Technology	36,521	38,310
Academics	29,608	61,192
Pupil support	23,094	21,134
Professional development	17,743	12,043
Maintenance	15,853	14,653
Afterschool activities	14,533	16,971
Brick campaign	12,419	10,795
Library	8,119	5,128
Athletics	500	2,569
	<u>500</u>	<u>2,569</u>
Total	<u>\$ 199,753</u>	<u>\$ 209,573</u>

Permanently restricted net assets of \$126,574 and \$114,099 as of June 30, 2013 and 2012 (as restated), respectively, relate to an operating endowment to be held in perpetuity. The income from endowment investments is expendable for operations.

**Note 10 - GRANTS**

The Federal Emergency Management Administration ("FEMA") passed through a grant to OPSB, which was awarded to the School as a subrecipient, to assist the School in covering expenditures incurred to repair and replace property and equipment damaged as a result of Hurricane Katrina. For the year ended June 30, 2013 the School did not recognize any revenue under this grant. The School recognized revenue under this grant of \$10,997 for the year ended June 30, 2012.

The United States Department of Education passed through a grant to the OPSB, which was awarded to the School as a subrecipient, to increase academic achievement through strategies such as improving teacher and principal quality and increase the number of highly qualified teachers, principals, and assistant principals. The grant funds must be used to assist schools in effectively recruiting and retaining highly qualified teachers, to make available professional development activities that address subject matter knowledge and other activities. For the years ended June 30, 2013 and 2012, the School recognized revenue under this grant of \$49,554 and \$30,852, respectively.

The United States Department of Education passed through a grant to OPSB, which was awarded to the School as a subrecipient, to provide funding to help recruit, retain, and compensate educators who commit to work for at least three years in an area in which a major disaster area was declared as a result of Hurricane Katrina or Hurricane Rita. For the year ended June 30, 2013, the School did not recognize any revenue under this grant. The school recognized revenue under this grant of \$2,595 for the year ended June 30, 2012.

The United States Department of Education passed through a grant to OPSB, which was awarded to the School as a subrecipient, to provide funding for materials and supplies for student instruction. For the years ended June 30, 2013 and 2012, the School recognized revenue under this grant of \$16,928 and \$25,419, respectively.

The State of Louisiana provides funding which is determined on an annual basis based on the number of pupils enrolled in the School as of October 1st. This state-funded per pupil allocation is based on the most recently approved minimum foundation program formula resolution. For the years ended June 30, 2013 and 2012, the School recognized revenue under this grant of \$3,305,554 and \$2,904,547, respectively.

OPSB provides funding which is determined on an annual basis based on the number of pupils enrolled in the School as of October 1st. Revenues received by OPSB from sales tax revenues, ad valorem taxes, and other sources are allocated to each school based on its enrollment. For the years ended June 30, 2013 and 2012, the School recognized revenue under this funding of \$3,352,132 and \$3,071,220, respectively.

**Note 11 - COMMITMENTS**

The School has employment contracts as is standard in the field of education with most of its employees and which expire June 30, 2013. Additionally, the School has an employment contract with an employee through June 30, 2015. All contracts provide for a minimum annual salary and benefits provided to full-time employees.

As of June 30, 2013 future minimum payments due under this contract are as follows:

<u>Year Ended</u> <u>June 30,</u>	
2014	\$ 171,972
2015	<u>171,972</u>
Total	<u>\$ 343,944</u>

**Note 12 - SCHOOL OPERATIONS/LEASEHOLD INTEREST**

Effective January 1, 2006, the School entered into an agreement with OPSB, which allows the School to use the facilities and its contents located at 2001 Leon C. Simon Boulevard or any other locations as may be approved by the School and the OPSB. On June 21, 2011, OPSB voted to renew the agreement for a period of ten years through June 30, 2021.

The School is responsible for all necessary maintenance to ensure that the facilities comply with all state and local health and safety standards and other applicable laws, regulations and rules. If capital improvements are made by the School with non-public funds to any site which it operates, and the charter contract is revoked or terminated, the School will be reimbursed for the fair market value of such capital improvements. Assets purchased with public funds or obtained from public sources will automatically revert to OPSB at the time this agreement is terminated. The School must maintain records of any assets acquired with private funds that will remain the property of the School.

Use of the property is not recorded as an in-kind contribution from OPSB and related rent expense. The value of the use of the land and building is not readily determinable. The agreement is classified as an exchange transaction because both parties receive significant value from this arrangement. Accordingly, the present value of the benefit to be received in future years has not been recorded.



**Note 13 - FUNCTIONAL ALLOCATION OF EXPENSES**

Expenses have been reported on the statement of activities by natural classification. To present expenses by functional classifications, expenses are charged to program services and supporting services (management and general expense and fundraising expense) based on management's estimate of periodic time and expense evaluations. Management and general expenses include those expenses that are not directly identifiable with any other specific function, but provide for the overall support and direction of the School.

Total expenses for the years ended June 30, 2013 and 2012 are allocated as follows:

	<u>2013</u>	<u>2012</u>
Program Services	\$ 6,448,976	\$ 5,739,577
Supporting Services:		
Management and general	787,494	781,423
Fundraising	<u>221,018</u>	<u>135,971</u>
Total expenses	<u>\$ 7,457,488</u>	<u>\$ 6,656,971</u>

**Note 14 - RISK MANAGEMENT**

The School is exposed to various risks of loss from torts; theft of, damage to, and destruction of assets; business interruption; errors and omissions; employee injuries and illnesses and natural disasters. Commercial insurance coverage is purchased for claims arising from such matters. There were no settled claims that exceeded this commercial coverage during the years ended June 30, 2013 and 2012.

**SPECIAL REPORT OF CERTIFIED PUBLIC ACCOUNTANTS**

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL  
CONTROL OVER FINANCIAL REPORTING AND ON  
COMPLIANCE AND OTHER MATTERS BASED ON AN  
AUDIT OF FINANCIAL STATEMENTS PERFORMED  
IN ACCORDANCE WITH GOVERNMENT  
AUDITING STANDARDS**

To the Board of Directors,  
Advocates for Academic Excellence in Education, Inc.  
d/b/a Benjamin Franklin High School,  
New Orleans, Louisiana.

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards used by the Comptroller General of the United States, the financial statements of Advocates for Academic Excellence in Education, Inc. d/b/a Benjamin Franklin High School (the "School"), the financial statements as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise the School's financial statements, and have issued our report thereon dated September 30, 2013.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the School's internal control over financial reporting ("internal control") to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the School's internal control.

A deficiency in internal controls exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of significant deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the School's financial statements will not be prevented, or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph of this section and was not designed to identify all deficiencies in internal control that might be a material weakness or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the School's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the School's internal control or on compliance. This report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

This report is intended solely for the information and use of management, the Board of Directors, the State of Louisiana, the Legislative Auditor for the State of Louisiana, federal awarding agencies, and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

*Bourgeois Bennett, L.L.C.*

Certified Public Accountants.

New Orleans, Louisiana,  
September 30, 2013.

## **SCHEDULE OF FINDINGS AND RESPONSES**

**Advocates for Academic Excellence in Education, Inc.**  
**d/b/a Benjamin Franklin High School**  
New Orleans, Louisiana

For the year ended June 30, 2013

**Section I - Summary of Auditor's Report**

**a) Financial Statements**

Type of auditor's report issued: unqualified

- Material weakness(es) identified?                      ☐ Yes ☒ No
- Significant deficiency(ies) identified that are                      ☐ Yes ☒ None reported  
not considered to be a material weakness

Noncompliance material to financial statements noted?                      ☐ Yes ☒ No

**b) Federal Awards**

The School did not expend more than \$500,000 in federal awards during the year ended June 30, 2013, and therefore, is exempt from the audit requirements under the Single Audit Act and OMB Circular A-133, Audits of States, Local Government, and Non-Profit Organizations.

**Section II - Internal Control Over Financial Reporting and Compliance and Other Matters  
Material to the Basic Financial Statements**

**Internal Control Over Financial Reporting**

There were no findings noted during the audit for the year ended June 30, 2013 related to internal control over financial reporting.

**Compliance and Other Matters**

No compliance findings material to the financial statements were reported during the audit for the year ended June 30, 2013.

**Section III - Internal Control and Compliance Material to Federal Awards**

**Internal Control/Compliance**

The School did not expend more than \$500,000 in Federal awards during the year ended June 30, 2013 and, therefore, was exempt from the audit requirements under the Single Audit Act and OMB Circular A-133, Audits of States, Local Government, and Non-Profit Organizations.

## **REPORTS BY MANAGEMENT**



## **SCHEDULE OF PRIOR YEAR FINDINGS AND RESPONSES**

**Advocates for Academic Excellence in Education, Inc.  
d/b/a Benjamin Franklin High School  
New Orleans, Louisiana**

For the year ended June 30, 2013

### **Section I - Internal Control Over Financial Reporting and Compliance and Other Matters Material to the Basic Financial Statement**

#### **Internal Control Over Financial Reporting**

No material weaknesses were noted during the audit of the financial statements for the year ended June 30, 2012.

No significant deficiencies were noted during the audit of the financial statements for the year ended June 30, 2012.

#### **Compliance and Other Matters**

There were no findings reported during the audit of the year ended June 30, 2012 related to compliance and other matters.

### **Section II - Internal Control and Compliance Material to Federal Awards**

The School did not expend Federal awards in excess of \$500,000 during the year ended June 30, 2012 and therefore is exempt from the audit requirements under the Single Audit Act and OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organization.

### **Section III - Management Letter**

A management letter was not issued in connection with the audit year ended June 30, 2012.

**MANAGEMENT'S CORRECTIVE ACTION PLAN**  
**ON CURRENT YEAR FINDINGS**

**Advocates for Academic Excellence in Education, Inc.**  
**d/b/a Benjamin Franklin High School**  
New Orleans, Louisiana

For the year ended June 30, 2013

**Section I - Internal Control Over Financial Reporting and Compliance and Other Matters  
Material to the Basic Financial Statement**

**Internal Control Over Financial Reporting**

There were no findings noted during the audit for the year ended June 30, 2013 related to internal control over financial reporting.

**Compliance and Other Matters**

There were no findings noted during the audit for the year ended June 30, 2013 related to compliance and other matters.

**Section II - Internal Control And Compliance Material to Federal Awards**

The School did not expend more than \$500,000 in federal awards.

**Section III - Management Letter**

A management letter was not issued in connection with the audit of the financial statement for the year ended June 30, 2013.

**SCHEDULES REQUIRED BY STATE LAW**  
**(R.S. 24:524 - PERFORMANCE AND STATISTICAL DATA)**  
**(UNAUDITED)**

**INDEPENDENT ACCOUNTANT'S REPORT ON**  
**APPLYING AGREED UPON PROCEDURES**

To the Board of Directors  
Advocates for Academic Excellence in Education, Inc.  
d/b/a Benjamin Franklin High School,  
New Orleans, Louisiana

We have performed the procedures included in the Louisiana Governmental Audit Guide and enumerated below, which were agreed to by the management of Advocates for Academic Excellence in Education, Inc. d/b/a Benjamin Franklin High School (the School) and the Legislative Auditor, State of Louisiana, solely to assist users in evaluating management's assertions about the performance and statistical data for the year ended June 30, 2013, accompanying the annual financial statements of the School and to determine whether the specified schedules are free of obvious errors and omissions as provided by the Board of Elementary and Secondary Education. Management of the School is responsible for its performance and statistical data. This engagement to perform agreed-upon procedures was performed in accordance with attestation standards established by the American Institute of Certified Public Accounts. The sufficiency of these procedures is solely the responsibility of the specified users of the report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

The procedures that were performed are as follows:

General Fund Instructional and Support Expenditures and Certain Local Revenue Sources  
(Schedule 1)

- 1) We selected a random sample of 25 transactions and reviewed supporting documentation to determine if the sampled expenses were classified correctly and were reported in the proper amounts for each of the categories reported on Schedule 1.

No exceptions noted.

### Education Levels of Public School Staff (Schedule 2)

- 2) We reconciled the total number of full-time classroom teachers per the schedule "Experience of Public Principals, Assistant Principals, and Full-time Classroom Teachers" (Schedule 4) to the combined total number of full-time classroom teachers per this schedule and to the School's supporting payroll records as of October 1, 2012.

No exceptions were noted.

- 3) We reconciled the combined total of principals and assistant principals per the schedule "Experience of Public Principals, Assistant Principals, and Full-time Classroom Teachers" (Schedule 4) to the combined total number of principals and assistant principals per this schedule.

No exceptions were noted.

- 4) We obtained a list of full-time teachers, principals, and assistant principals by classification as of October 1, 2012, and as reported on this schedule. We traced a random sample of 25 teachers to the individual's personnel file to determine the individual's education level was properly classified on this schedule.

No exceptions were noted.

### Number and Type of Public Schools (Schedule 3)

- 5) We obtained a listing showing the School's type as reported on Schedule 3. We compared the list to the schools and grade levels as reported on the Title I Grants to Local Educational Agencies (CFDA # 84.010) Grant Award application.

No exceptions were noted.

### Experience of Public Principals, Assistant Principals, and Full-time Classroom Teachers (Schedule 4)

- 6) We obtained a list of full-time teachers, principals, and assistant principals by classification as of October 1, 2012, as reported on this schedule. We traced the same sample used in Procedure 4 to the individual's personnel file to determine if the individual's experience is properly classified on this schedule.

No exceptions noted.

#### Public School Staff Data: Average Salaries (Schedule 5)

- 7) We obtained a list of all classroom teachers including their base salary, extra compensation, and ROTC or rehired retiree status as well as full-time equivalent, which was used to compute average salaries on the schedule. We traced a random sample of 25 teachers' salaries to the individual's personnel file to determine if the individual's salary, extra compensation, and full-time equivalents are properly included on the list.

No exceptions were noted.

- 8) We recalculated the average salaries and full-time equivalents reported in this schedule.

No exceptions were noted.

#### Class Size Characteristics (Schedule 6)

- 9) We obtained a list of classes by school, school type, and class size as reported on this schedule and reconciled school type classifications to Schedule 3 data, as obtained in procedure 5. We traced a random sample of 10 classes to the October 1, 2012 roll books for those classes to determine if the class is properly classified on this schedule.

No exceptions were noted.

#### Louisiana Educational Assessment Program (LEAP) (Schedule 7)

- 10) Not applicable.

#### Graduation Exit Exam (GEE) (Schedule 8)

- 11) We considered obtaining test scores as provided by the testing authority and reconciling scores as reported by the testing authority to scores reported in this schedule by the School.

Schedule 8 is no longer applicable.

Iowa and iLeap Tests (Schedule 9)

- 12) We considered obtaining test scores as provided by the testing authority and reconciling scores as reported by the testing authority to scores reported in this schedule by the School.

Schedule 9 is no longer applicable.

We were not engaged to, and did not perform an examination, the objective of which would be the expression of an opinion on management's assertions. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the use of the School, the Louisiana Department of Education, the Louisiana Legislature, and the Legislative Auditor, State of Louisiana, and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

*Bourgeois Bennett, L.L.C.*

Certified Public Accountants.

New Orleans, Louisiana,  
September 30, 2013.

**GENERAL FUND INSTRUCTIONAL AND SUPPORT EXPENDITURES AND  
CERTAIN LOCAL REVENUE SOURCES**

**Advocates for Academic Excellence in Education, Inc.  
d/b/a Benjamin Franklin High School  
New Orleans, Louisiana**

For the year ended June 30, 2013  
(Unaudited)

**General Fund Instructional and Equipment Expenditures**

Instructional Expenditures:

Teacher and Student Interaction Activities:

Classroom Teacher Salaries	\$ 2,176,108
Other Instructional Staff Activities	-
Employee Benefits	762,753
Purchased Professional and Technical Services	6,407
Instructional Materials and Supplies	154,650
Instructional Equipment	<u>7,406</u>

Total Teacher and Student Interaction Activities \$ 3,107,324

Other Instructional Activities -

Pupil Support Services	311,483
Less: Equipment for Pupil Support Services	<u>(2,556)</u>

Net Pupil Support Services 308,927

Instructional Staff Services	85,766
Less: Equipment for Instructional Staff Services	<u>-</u>

Net Instructional Staff Services 85,766

School Administration	1,394,360
Less: Equipment for School Administration	<u>(5,578)</u>

Net School Administration 1,388,782

Total General Fund Instructional Expenses \$ 4,890,799

Total General Fund Equipment Expenses \$ 15,540



**Certain Local Revenue Sources**

**Local Taxation Revenue:**

Constitutional Ad Valorem Taxes	\$ -
Renewable Ad Valorem Tax	-
Debt Service Ad Valorem Tax	-
Up to 1% of Collections by the Sheriff on Taxes	-
Other than School Taxes	-
Sales and Use Taxes	-

Total Local Taxation Revenue	\$ -
------------------------------	------

**Local Earnings on Investment in Real Property:**

Earnings from 16th Section Property	\$ -
Earnings from Other Real Property	-

Total Local Earnings on Investment in Real Property	\$ -
---	------

**State Revenue in Lieu of Taxes:**

Revenue Sharing - Constitutional Tax	\$ -
Revenue Sharing - Other Taxes	-
Revenue Sharing - Excess Portion	-
Other Revenue in Lieu of Taxes	-

Total State Revenue in Lieu of Taxes	\$ -
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Nonpublic Textbook Revenue	\$ -
----------------------------	------

Nonpublic Transportation Revenue	\$ -
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**EDUCATION LEVELS OF PUBLIC SCHOOL STAFF**

**Advocates for Academic Excellence in Education, Inc.**  
**d/b/a Benjamin Franklin High School**  
 New Orleans, Louisiana

As of October 1, 2012  
 (Unaudited)

	Full-time Classroom Teachers				Principals and Assistant Principals			
	Certificated		Uncertificated		Certificated		Uncertificated	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Less than a Bachelor's Degree	-	-	-	-	-	-	-	-
Bachelor's Degree	7	17	1	100	-	-	-	-
Master's Degree	22	54	-	-	-	-	-	-
Master's Degree + 30	5	12	-	-	1	100	1	50
Specialist in Education	-	-	-	-	-	-	-	-
Ph. D. or Ed. D.	7	17	-	-	-	-	1	50
Totals	<u>41</u>	<u>100</u>	<u>1</u>	<u>100</u>	<u>1</u>	<u>100</u>	<u>2</u>	<u>100</u>

**NUMBER AND TYPE OF PUBLIC SCHOOLS**

**Advocates for Academic Excellence in Education, Inc.  
d/b/a Benjamin Franklin High School  
New Orleans, Louisiana**

For the year ended June 30, 2013  
(Unaudited)

<u>Type</u>	<u>Number</u>
Elementary	-
Middle/Jr. High	-
Secondary	1
Combination	-
	<u>-</u>
Total	<u><u>1</u></u>

**EXPERIENCE OF PUBLIC PRINCIPALS, ASSISTANT PRINCIPALS,  
AND FULL TIME CLASSROOM TEACHERS**

**Advocates for Academic Excellence in Education, Inc.  
d/b/a Benjamin Franklin High School  
New Orleans, Louisiana**

As of October 1, 2012  
(Unaudited)

	<u>0-1 Yr.</u>	<u>2-3 Yrs.</u>	<u>4-10 Yrs.</u>	<u>11-14 Yrs.</u>	<u>15-19 Yrs.</u>	<u>20-24 Yrs.</u>	<u>25+ Yrs.</u>	<u>Totals</u>
Assistant Principals	-	-	-	-	-	-	2	2
Principals	-	-	-	-	-	-	1	1
Classroom Teachers	<u>8</u>	<u>1</u>	<u>8</u>	<u>2</u>	<u>3</u>	<u>5</u>	<u>15</u>	<u>42</u>
Totals	<u><u>8</u></u>	<u><u>1</u></u>	<u><u>8</u></u>	<u><u>2</u></u>	<u><u>3</u></u>	<u><u>5</u></u>	<u><u>18.0</u></u>	<u><u>45</u></u>

**PUBLIC SCHOOL STAFF DATA: AVERAGE SALARIES**

**Advocates for Academic Excellence in Education, Inc.**  
**d/b/a Benjamin Franklin High School**  
 New Orleans, Louisiana

For the year ended June 30, 2013  
 (Unaudited)

	<u>All Classroom Teachers</u>	<u>Classroom Teachers Excluding ROTC, Rehired Retirees, and Flagged Salary Reductions</u>
Average Classroom Teachers Salary Including Extra Compensation	<u>\$ 54,188</u>	<u>\$ 53,469</u>
Average Classroom Teachers Salary Excluding Extra Compensation	<u>\$ 51,813</u>	<u>\$ 50,802</u>
Number of Teacher Full-Time Equivalents (FTEs) used in Computation of Average Salaries	<u>44</u>	<u>40</u>

**CLASS SIZE CHARACTERISTICS**

**Advocates for Academic Excellence in Education, Inc.**  
**d/b/a Benjamin Franklin High School**  
 New Orleans, Louisiana

As of October 1, 2012  
 (Unaudited)

School Type	Class Size Range							
	1-20		21-26		27-33		34+	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Elementary	-	-	-	-	-	-	-	-
Middle/Jr. High	-	-	-	-	-	-	-	-
Middle/Jr. High Activity Classes	-	-	-	-	-	-	-	-
High	91	84	124	87	17	41	-	-
High Activity Classes	17	16	19	13	24	59	4	100
Combination	-	-	-	-	-	-	-	-
Combination Activity Classes	-	-	-	-	-	-	-	-
Totals	<u>108</u>	<u>100</u>	<u>143</u>	<u>100</u>	<u>41</u>	<u>100</u>	<u>4</u>	<u>100</u>

**LOUISIANA EDUCATIONAL ASSESSMENT PROGRAM (LEAP)**

**Advocates for Academic Excellence in Education, Inc.  
d/b/a Benjamin Franklin High School  
New Orleans, Louisiana**

**For the Year Ended June 30, 2013  
(Unaudited)**

This schedule does not apply to Benjamin Franklin High School as grade levels for the School are grades 9 through 12.

**GRADUATION EXIT EXAMINATION (GEE)**

**Advocates for Academic Excellence in Education, Inc.**  
**d/b/a Benjamin Franklin High School**  
 New Orleans, Louisiana

For the year ended June 30, 2013  
 (Unaudited)

<u>School Achievement Level Results</u>	<u>English Language Arts</u>					
	<u>2013</u>		<u>2012</u>		<u>2011</u>	
	<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>
<b>Students</b>						
<b>Grade 10</b>						
Advanced	-	-	-	-	32	19
Mastery	-	-	-	-	96	58
Basic	-	-	-	-	37	23
Approaching Basic	-	-	-	-	-	-
Unsatisfactory	-	-	-	-	-	-
<b>Totals</b>	-	-	-	-	165	100

<u>School Achievement Level Results</u>	<u>Mathematics</u>					
	<u>2013</u>		<u>2012</u>		<u>2011</u>	
	<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>
<b>Students</b>						
<b>Grade 10</b>						
Advanced	-	-	-	-	116	70
Mastery	-	-	-	-	35	21
Basic	-	-	-	-	14	9
Approaching Basic	-	-	-	-	-	-
Unsatisfactory	-	-	-	-	-	-
<b>Totals</b>	-	-	-	-	165	100



<u>School Achievement Level Results</u>		<u>Science</u>					
<u>Students</u>	<u>2013</u>		<u>2012</u>		<u>2011</u>		
	<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>	
<b>Grade 11</b>							
Advanced	-	-	76	48	49	30	
Mastery	-	-	64	41	86	52	
Basic	-	-	17	11	29	17	
Approaching Basic	-	-	-	-	-	-	
Unsatisfactory	-	-	-	-	1	1	
Totals	-	-	157	100	165	100	

<u>School Achievement Level Results</u>		<u>Social Studies</u>					
<u>Students</u>	<u>2013</u>		<u>2012</u>		<u>2011</u>		
	<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>	
<b>Grade 11</b>							
Advanced	-	-	37	24	23	14	
Mastery	-	-	68	43	77	46	
Basic	-	-	52	33	64	39	
Approaching Basic	-	-	-	-	-	-	
Unsatisfactory	-	-	-	-	1	1	
Totals	-	-	157	100	165	100	